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June 3, 2011

VIA ELECTRONIC FILING

Jocelyn Boyd, Esquire
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Application of Lockhart Power Company for Adjustment of Rates and Charges
Docket No. 2010-181-E

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") has filed direct testimony of witnesses Sharon G. Scott, M. Anthony James and Leigh C. Ford in the above referenced docket. The purpose of this letter is to inform the Commission that ORS has reached an agreement in principal with Lockhart Power Company resolving all issues in this case and is preparing a settlement agreement to file with the Commission.

Sincerely,



Jeffrey M. Nelson

cc: John Flitter, Director of Electric and Gas Regulation, SC ORS
Dr. James Spearman, Executive Assistant, SC PSC
John Bowen, Esquire, McNair Law Firm
Margaret M. Fox, Esquire, McNair Law Firm